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# **Daily Environment Report**

## Afternoon Briefing - Your Preview of Today's News

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### U.S. Climate Envoy's Future Uncertain With Paris Pact in Doubt

Posted December 29, 2016, 03:52 P.M. ET

By Dean Scott

If President-elect Donald Trump makes good on his threat to back out of the Paris climate deal, he will still have some key executive decisions to make on how the U.S. will interact with other nations on energy and even climate matters.

One early casualty could be the climate envoy his predecessor named to put the U.S. front and center in international climate negotiations.

Trump hasn't offered much detail since Election Day on his campaign vow to "cancel" the Paris Agreement and roll back domestic climate rules, though he has promised a quick decision on the climate pact after taking office in January. But environmental groups as well as former Obama and Bush administration officials said even a Paris withdrawal won't negate the need to address the complexities of climate and energy diplomacy, given that more than 190 nations would presumably remain committed to the climate accord.

One option for Trump would be to shift the responsibilities away from President Barack Obama's climate envoy—the U.S. point person for United Nations climate talks for the past eight years—to elsewhere in the State Department. Another option: move most of these diplomatic efforts to more direct White House control, as was done under former President George W. Bush.

Bush's approach brought coordination of international and domestic climate efforts under the chairman of the White House Council on Environmental Quality, the president's top environmental adviser. Jim Connaughton, who served as Bush's CEQ chairman during both terms of his presidency, said it is crucial for Trump to continue to engage on climate and energy diplomacy regardless of the president-elect's verdict on the 2015 Paris Agreement.

First to Ratify Treaty

Connaughton told Bloomberg BNA that he remains skeptical of talk that Trump will go even

further and pull the U.S. out of the pact's parent treaty, the UN Framework Convention on Climate Change, which the Senate unanimously ratified in 1992. The U.S. was the first industrialized nation to ratify the climate treaty.

"The only thing that Trump said during the campaign was that Paris was a problem, and I just haven't heard boo about the UNFCCC" being seriously considered for withdrawal, said Connaughton, who is frequently mentioned as a contender for various energy and environmental roles in the Trump administration.

The UN climate convention "is a ratified treaty, one [approved] by a substantial Senate majority," and "participation in that exercise is something that we have committed to for nearly 25 years," Connaughton said.

Scrapping the UN framework convention would avoid the four-year wait required for the U.S. to withdraw from the Paris pact; pulling out of the 1992 treaty would take only one year and would take the Paris pact down with it. But scrapping a Senate-ratified treaty "would be a big break ... a huge break" from climate diplomacy spanning the last four U.S. presidencies, Connaughton said.

**More White House Control?** 

Beyond his threat to cancel the 2015 Paris climate deal, Trump has called climate change a hoax and warned that such international commitments would put the U.S. at a competitive disadvantage to China.

But the climate issue is interwoven in an array of diplomatic relationships and agreements beyond the Paris deal, including bilateral talks with rapidly developing nations such as China and India and interactions with other nations, such as at Group of Seven and Group of 20 summits. Moving U.S. climate diplomacy away from the State Department to more direct control under the White House has its own complications. It may not sit well, for starters, with Trump's pick for secretary of state, ExxonMobil Corp. Chief Executive Officer Rex Tillerson.

Heather Zichal, a former White House adviser on climate to Obama, told Bloomberg BNA that Tillerson, who some see as comparatively moderate on climate given his statements accepting the role humans play in altering the Earth's climate, presumably would resist such a transfer of power.

**Climate Science Commitment Questioned** 

Zichal is skeptical of Tillerson's commitment to climate science, saying it is impossible to ignore allegations by Senate Democrats, environmental groups and others that ExxonMobil spent decades undermining climate researchers even as its own internal research acknowledged links between human activity and climate change as early as 1981.

Under former President Bush, "Connaughton was able to drive a lot" of the climate agenda "because he was empowered by the president to manage and go make it happen," Zichal said.

"I struggle to see how a former CEO of Exxon," which has spent a lot of time funding climate deniers, is "going to be happy outsourcing the power to CEQ going forward," she said.

Obama, in contrast to Bush's more centralized approach, delegated much of the U.S. negotiating authority in the UN climate talks to Todd Stern, a former Clinton administration

negotiator who was awarded the new title of U.S. special envoy for climate change.

But over the course of the past eight years, Obama also drew from "a very tight-knit team" elsewhere on international climate matters, from Secretary of State John Kerry and others at the State Department to various advisers at the White House and the National Security Council.

Paris Deal: Now What?

A U.S. withdrawal from the Paris pact could well spell the end for the special climate envoy office, which was announced in 2009 by then-Secretary of State Hillary Clinton to signal the U.S. return to the table for a truly global climate deal.

Stern, who negotiated for the U.S. in Kyoto Protocol talks in the 1990s, stayed in the climate envoy job for Obama for the nearly seven years it took to clinch the 2015 climate deal in Paris, the first to commit developed and developing nations alike to addressing the climate issue.

Stern departed the envoy post in the spring, handing the baton to former Energy Department official Jonathan Pershing, who has since led efforts to implement a climate deal that nations speedily entered into force in less than a year.

Christo Artusio, who has worked international climate issues at the State Department since the earliest days of President George W. Bush, said the incoming administration has yet to signal whether it plans to retain the special climate envoy office.

Structure in Question

"In terms of the structure, I obviously have no idea of how the new administration will [organize] things, or if it will use the special envoy or some other arrangement" for such diplomacy, Artusio, who heads the State Department's Office of Global Change, said at a Dec. 12 Environmental & Energy Study Institute forum.

A State Department spokeswoman said this week that there is no sign the incoming president-elect has begun wrestling with how to navigate international climate and energy diplomacy.

"No indication as of yet on our end," she said.

**Options Abound for Reshuffling** 

Former Obama administration officials argue that whether Trump continues to use a climate envoy or not won't matter much if he essentially ends U.S. negotiations on the matter.

"There are a number of ways to structure" climate diplomacy going forward, "but how you structure it is less critical than what posture the [next] administration takes toward climate change and international commitments," said Nat Keohane, a former White House special assistant for energy and environment who worked in Obama's National Economic Council and Domestic Policy Council.

"The key is making sure you have someone in that role empowered" to fully negotiate on behalf of the U.S., said Keohane, now the Environmental Defense Fund's vice president for international climate.

Stern's position, which was elevated to the ministerial level to put him on par with the top

negotiators from China and other key nations at the negotiating table, ensured the envoy was "speaking for the U.S. as well as the president on the issue," which was critical to clinching the Paris deal, Keohane said.

**Need for Climate Envoy?** 

But even without Trump's victory in November, there would have been the question of whether the climate envoy position should live on, Keohane said, given that its reason for existence—getting the Paris climate pact done—had been accomplished.

"Now, is that as necessary going forward? I'm not sure it is," Keohane said, adding that an argument could be made for moving implementation issues outside the State Department to the Treasury Department, for example, given how central international climate funding is to the Paris deal's implementation.

"Seeing it through—that could well be done for Paris with another structure, perhaps integrated more with economic policy at home," he said. But those different approaches would require Trump to actually want to implement the Paris pact, Keohane noted, which at the moment appears to be a long shot.

Move to `E Team?'

Connaughton, the former Bush official, said there are several alternatives that Trump could consider, including keeping climate and energy negotiations mostly within the State Department, for example, but under the direction of an undersecretary rather than within the special envoy's office. That is reminiscent of Bush's approach; he relied on Paula Dobriansky, then-undersecretary of state for democracy and global affairs, to head the U.S. negotiating team at the UNFCCC talks.

"If you wanted to look traditionally and conventionally, the Trump people [could] restore the climate office under" the global affairs undersecretary and mirror Bush's approach, Connaughton said.

"That would be a perfectly understandable and acceptable organizational change and should generate no meaningful criticism," he said, but "undoubtedly would" anger environmental and other groups that would view any change as hostile to continued U.S. commitment to climate action.

A "more interesting" idea would be to reshuffle the climate issues to the State Department's "E team," formally, the Office of the Undersecretary for Economic Growth, Energy, and the Environment. In 2011, the office was elevated to oversee multiple State Department bureaus, including the Bureau of Oceans and International Environmental and Scientific Affairs, the Bureau of Energy Resources and the Office of the Science and Technology Adviser.

"Implementation of Paris is a subject matter arguably more relevant to that E division," Connaughton said. "Because at the end of the day, climate change implementation is energy, transport, land management—subjects core to the E Bureau."

Wary of Prejudging an Administration

Artusio, the State Department office of global change official, said it's far too early to assume that Trump's election will bring about a full-fledged U.S. retreat from the global climate stage.

The same was said of President George W. Bush, Artusio said, even though his

administration's views and policies evolved over time: Bush campaigned to regulate carbon dioxide, for example. He also reversed himself in early 2001 and disavowed regulating carbon; within weeks he essentially withdrew the U.S. from the Kyoto Protocol.

The international backlash that followed prompted his administration to spend a year developing a climate action plan that called for cutting U.S. greenhouse gas intensity— essentially the ratio of emissions for each unit of economic output. The Bush administration, which still had little use for United Nations climate talks that bogged down year after year, would go on to launch partnerships and talks with small groups of countries, from the 2004 Methane to Markets Partnership to the 2006 Asia-Pacific Partnership on Clean Development and Climate.

In 2007, Bush launched the Major Economies Meeting on Energy Security and Climate Change, a summit of the world's major emitters. Obama essentially rebranded it the Major Economies Forum on Energy and Climate, which was used to move developing and developed nations closer to a global climate deal. "I think it is fair to say that policy approach of the Bush administration changed over those eight years, just as the approach of the Obama administration changed over the last eight years as well," Artusio said. "This speaks to the point of not prejudging an administration when it comes in."

**Restrenchment Poses Worse Threat Today** 

But environmental and other groups that hailed the Paris Agreement as a historic first step toward curbing greenhouse gas emissions and addressing climate impacts said there is far more at stake today than when Bush left office.

Withdrawing the U.S. from a deal between nearly 200 nations—one that was developed in large part to address concerns voiced by the Bush and Obama administrations—could threaten to unravel the global deal in years to come, they said. The Paris Agreement includes China, India and other rapidly developing nations, which the U.S. insisted it should, and relies on pledges and not binding emissions reduction targets, mandatory cuts the U.S. also resisted.

But environmental groups said the world doesn't have the luxury to wait another eight years for the U.S. to resume its leadership role on the international climate stage, citing increasingly worrisome reports from scientists suggesting the Earth is warming and sea levels are rising faster than earlier predicted.

"We've been to this rodeo before, but the bull is bigger," said Alden Meyer, who tracks the UN climate negotiations for the Union of Concerned Scientists.

**Temperature Rises Expected** 

Even with the Paris climate pact, the world is on track to see temperatures rise this century between 2.9 degrees and 3.4 degrees Celsius (between 5.2 degrees and 6.1 degrees Fahrenheit), according to a November report by the UN Environment Program.

Meyer said he is skeptical that Trump will ultimately leave the Paris deal untouched. But he is hopeful the president-elect might yet be persuaded by world leaders to reverse course when they meet at key world summits in early 2017: the G-7 meeting of top industrialized nations in Italy in May and the G-20 meeting in Germany in July.

Those, as well as preparatory ministerial meetings held beforehand, "will be early tests of that interaction," said Meyer, the UCS's director of strategy and policy.

Twenty years ago, Meyer said, President Bill Clinton wasn't viewed by other world leaders, including German Chancellor Helmut Kohl and U..K Prime Minister Tony Blair, as particularly committed to the climate challenge. Then came the U.S.-hosted Group of Eight summit in Denver in 1997.

**Clinton Put Stern on Case** 

There, the other leaders urged Clinton to join in addressing climate change "as a threat of the highest order," Meyer said.

Clinton's response? He soon after put Todd Stern, later to resurface as Obama's special climate envoy but then a White House adviser to Clinton, "on the case in the run-up to the Kyoto summit," Meyer said, which produced the 1997 climate protocol.

"Now, whether the summits next year will be an education process for Trump the way the Denver summit was an educational process for Bill Clinton—well, we can only hope," Meyer said.

\$40 Million Sought for Superfund Landfill Cleanup

Posted December 29, 2016, 03:34 P.M. ET

By Sylvia Carignan

The Environmental Protection Agency has announced a \$40 million settlement that will fund cleanup at a polluted landfill site in Rhode Island (U.S.A. v. ACS Industries, Inc. et al., R.I. Dist. Ct., No. 1:16-cv-00665, 12/22/16).

About 100 defendants are named in the settlement for either generating waste or transporting waste to the Peterson/Puritan Superfund site, which is spread over 980 acres in Cumberland and Lincoln, R.I.

The landfill's operator, J.M. Mills Inc., is defunct.

The defendants include Benny's Inc., Corning Inc., Honeywell International, General Electric, Kaman Aerospace Corp., the President and Fellows of Harvard College, Raytheon Co., Sikorsky Aircraft Corp. and Waste Management of Rhode Island Inc. The agency noted that each settling party contributed less than 2 percent of the waste at the site.

The landfill accepted about 2.1 million cubic yards of waste when it was active, from about 1954 to 1986, according to the EPA. The site was placed on the National Priorities List in 1983.

**Organic Compounds Found** 

The soil, groundwater, surface water and sediment on site were contaminated with organic compounds, including trichloroethylene (TCE), benzene and Freon 11. Chromium, nickel and lead also were found in the groundwater, according to an EPA spokesperson.

Parts of the site are in the Blackstone River's floodplain. Soils along the river contain polyaromatic hydrocarbons, heavy metals and polychlorinated biphenyls.

The EPA has determined that the defendants will be liable for all further cleanup costs at the Superfund site. The settlement will be published in the Federal Register and will be open for

public comment. After comments are resolved, the court will formalize the final settlement.

Tillerson Climate-Change Testimony Sought Before Trump Sworn In

Posted December 29, 2016, 02:30 P.M. ET

By Kartikay Mehrotra

Lawyers for teenagers claiming the U.S. government failed to protect the environment from global warming plan to question under oath President-elect Donald Trump's pick for Secretary of State the day before the Jan. 20 inauguration on his knowledge of climate change.

Plaintiffs seek to depose Exxon chief, Trump's pick for State Lawyers want Jan. 19 testimony in Oregon case filed by teens

Exxon Mobil Corp. Chief Executive Officer Rex Tillerson's testimony is being sought by lawyers representing 21 children and teenagers seeking to prove that oil and gas industry groups "have known about the dangers of climate change since the 1960s and have successfully worked to prevent the government" from taking action. The groups, whose members include Exxon, joined the lawsuit on the side of the government to oppose the teens.

The youths from across the country claim that by perpetuating the use of fossil fuels, the government has trampled their constitutional rights to life, liberty and property. They won a shot at pursuing their claims in November when an Oregon federal judge rejected the government's request to throw out their lawsuit.

Tillerson, who was a director and recent chairman-elect of the American Petroleum Institute, would be asked about the role of his company and the industry in causing global environmental damage, lawyers for the teenagers said Dec. 29 in a statement. One of Exxon's senior scientists noted in 1977—11 years before a NASA scientist sounded the alarm about global warming during congressional testimony—that "the most likely manner in which mankind is influencing the global climate is through carbon dioxide release from the burning of fossil fuels."

"Rex Tillerson is one of the most knowledgeable executives in the fossil fuel world on the role of his industry alongside our federal government in causing climate change and endangering my youth plaintiffs and all future generations," Julia Olson, attorney for the plaintiffs, said in the statement. "We intend to use his deposition to uncover his and others' culpability, on behalf of these defendants."

David Buente, an attorney representing the three trade groups in the case, said they received the notice for the deposition on Dec. 28, but declined to comment on it.

Attorneys for the children believe Tillerson is a "key witness" whose immediate testimony is critical. They said they're preparing for his attorneys to make attempts at blocking the scheduled deposition.

The case is Juliana v. U.S., 15-cv-01517, U.S. District Court, District of Oregon (Eugene).

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Rising Gas Costs Shrink Dow's, Exxon's Edge in Plastics

Posted December 29, 2016, 02:29 P.M. ET

By Jack Kaskey

When hydraulic fracturing unleashed a torrent of cheap gas at the start of the decade, U.S. plastics makers from Dow Chemical Co. to Exxon Mobil Corp. invested billions of dollars in new and expanded factories. Now, rising gas prices are diminishing their cost advantage over rivals abroad.

The new plants are designed to convert natural-gas liquids such as ethane into ethylene, a key ingredient in polyethylene plastic. Cheap gas has helped U.S. makers compete against companies in Europe and Asia, where oil-derived naphtha is the main feedstock. This week that advantage tumbled to the lowest in almost five years as U.S. ethane prices rose faster than those for naphtha.

The diminished benefit prompted Aleksey Yefremov, an analyst at Instinet LLC, this week to cut fourth-quarter and 2017 earning estimates for ethylene producers LyondellBasell Industries NV and Westlake Chemical Corp.

Ethane-based ethylene margins probably will deteriorate in the second half of next year as the start of new U.S. factories drives up ethane costs while creating an ethylene oversupply, John Roberts, an analyst at UBS Securities LLC, said by phone.

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Petition Rejection Sets Up Lawsuit Over Aircraft Emissions

Posted December 29, 2016, 01:57 P.M. ET

By David Schultz

The Environmental Protection Agency will not reconsider its landmark finding from earlier this year that aircraft emissions contribute to climate change. The EPA's refusal sets up a lawsuit in federal court challenging the validity of the agency's finding.

A coalition of biofuels groups asked the EPA to reconsider its Aug. 15 <u>aircraft endangerment finding</u>, a procedural step that plaintiffs must take before proceeding with a Clean Air Act lawsuit. The EPA is now taking the pro forma step of rejecting that request, according to a notice scheduled to be published in the Dec. 30 Federal Register.

The groups had already filed a placeholder suit earlier this year against the EPA in the U.S. Court of Appeals for the D.C. Circuit. The agency's denial of the plaintiffs' request clears the way for that suit to move forward (Biogenic CO2 Coal. v. EPA, D.C. Cir., No. 16-01358, 10/14/16).

In addition to the aircraft finding, the biofuels groups are also challenging EPA findings on carbon emissions from power plants and several other sources.

The groups are arguing that the agency's overall carbon regulatory scheme fails to make a distinction between biofuels and fossil fuels. The groups assert that biofuels are less damaging to the climate than fossil fuels.

Open Burning of Munitions Under Broad Scrutiny

Posted December 29, 2016, 12:59 P.M. ET

#### By Sylvia Carignan

Open burn pits for old weapon munitions may become a thing of the past once a new National Academies of Science report is released.

The National Academies of Science, Engineering and Medicine has 18 months to look into alternatives to current munitions disposal methods in the U.S., which include open burning and open detonation. The National Defense Authorization Act of 2017, which was signed into law Dec. 23, ordered the report.

The report will focus on disposal of conventional weapons, such as rockets, guided missiles, mortars and guns.

Munitions disposal may be regulated by the Comprehensive Environmental Response, Compensation, and Liability Act, Resource Conservation and Recovery Act, Clean Water Act, Clean Air Act or state or tribal hazardous waste management programs. However, in fields of military operations, the Army functions under separate authorities.

David J. Kautz, is a professional engineer and president of U.S. Demil, LLC, a New York-based company that uses non-incendiary technology to process munitions and recover usable metals.

"We are exactly what the National Academies of Science research will find," Kautz said.

According to a 2015 Government Accountability Office <u>report</u>, the Department of Defense's conventional ammunition stockpile is about 529,000 tons of explosive weight as of February 2015. The department estimates another 582,000 tons will be added to the stockpile by fiscal year 2020.

Kautz estimates that translates to several billion tons of existing munitions, and there are only a handful of companies with the expertise to dispose of conventional munitions on a large scale.

"There's more than enough work out there," he said.

#### **Seeking Alternatives**

Linda Loebach, a spokeswoman for the U.S. Army's Joint Munitions Command, said that smaller ammunition, such as bullets, may be destroyed through non-incendiary means, but for larger ammunition, open burning or open detonation may be the only safe option.

"It's safest for the people that have to deal with (disposal) and it protects the people that live in the area; it protects them from injury or damage," she said.

According to Army officials interviewed for the 2015 GAO report, open-air burning and open-air detonation are the primary—and cheapest—disposal methods for conventional munitions. In both methods, toxins can be released into air, nearby water and soil.

"I think what the study will show is that the materials that are in storage can be processed for something other than just burning or blowing them up," Kautz said.

Jane Williams, executive director of environmental advocacy group California Communities Against Toxics, is glad the National Academies will look for alternatives.

"We know beyond a shadow of a doubt that the stuff that's being open-burned can be destroyed through these other technologies," Williams said.

**Protecting The Environment** 

About 60 environmental justice organizations, including Williams', have joined the Cease Fire campaign to show their support for protecting communities and the environment from toxins released by open burn and open detonation activities.

Citizens for Safe Water Around Badger started the Cease Fire campaign. The group advocates for the environmental cleanup of contaminants left by the shuttered Badger Army Ammunition Plant in Wisconsin.

Residents in Williams' state are living alongside similar sites.

"California is littered with old open burning, open detonation sites," she said.

The Army's Assembled Chemical Weapons Alternatives program claims it has implemented environmentally sound methods of destroying chemical weapons. The program operates a detonation chamber but also destroys chemical agents via hydrolysis and microbial solutions.

Disposal of conventional munitions can also mean dumping at sea, scrapping or altering them to prevent further use, according to the Department of Defense.

Kautz said it's also important for munitions disposal contractors to think about environmental impact.

"There are so many compounds in these munitions, to fully do what they're supposed to do, and you just don't want to let them out into the environment,"

Finding suitable alternatives won't take a lot of discovery effort, Williams said.

"It's really about these institutional barriers to change," she said.

The NAS report will identify and evaluate barriers to deploying those alternatives. A spokeswoman for the National Academies said the report will likely take the full 18 months to complete.

**Chest-Puffing Grouse to Test Trump's Conservation Approach** 

Posted December 29, 2016, 12:59 P.M. ET

By Jennifer A. Dlouhy

The Obama administration teed up plans to block hard-rock mining on as many as 10 million acres in the western U.S. to protect the greater sage grouse, setting up a test for Donald Trump on how he will weigh business interests and the environment.

The final decision about whether to block activity under new mining claims in sagebrush territory across six western states rests with the president-elect, but may be influenced by the draft environmental analysis and proposal the U.S. Interior Department issued Dec. 29.

The Obama administration determined in 2015 that the greater sage grouse didn't warrant

listing as an endangered species, yet unveiled land-use plans meant to protect the sagebrush plants seen as critical to the survival of the chicken-like bird known for its colorful courtship ritual. Interior's Bureau of Land Management also <u>proposed</u> a potentially two-decade ban on new mineral exploration and mining claims in the "sagebrush focal areas" while it studied the environmental effects of the activity.

As part of that review, the bureau studied its original proposal as well as several others, including a suggestion from Nevada to swap in some 388,000 acres of sagebrush territory in exchange for removing 488,000 acres believed to be rich in minerals. The agency also analyzed a plan to remove 539,000 acres with at least moderate mineral potential in Idaho and an approach that would keep most areas open to mining. The proposals cover land in Idaho, Montana, Nevada, Oregon, Utah and Wyoming.

Because it's not yet final, the bureau's proposal is less durable than other recent Obama administration moves to restrict resource development on public lands—including a decision in December to block new oil and gas drilling on more than 100 million acres in the U.S. Arctic and the Atlantic Ocean, and the creation Dec. 28 of two new national monuments.

The Interior Department can't decide what to do about the proposed mining restrictions, including whether to implement any of them, until after a public comment period set to run through March 30. If the Trump administration decides to follow through with any of the mineral withdrawal proposals, future exploration or extraction operations would still be allowed under valid pre-existing claims.

It's unclear how Trump might approach the issue or how it would be viewed by his Interior Secretary nominee, Ryan Zinke, a hunter and first-term congressman from Montana.

The greater sage grouse is a flamboyant fowl known for its showy mating rituals, which involve the male puffing out its chest, spreading its spiky brown tail feathers, and strutting around in a bid to entice females. The bird is viewed as an umbrella species whose health acts as an indicator for other animals that depend on similar habitat.

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U.S. Chemicals Management Seen Stronger, But Polarized on Risk

Posted December 29, 2016, 12:51 P.M. ET

By Pat Rizzuto

The Environmental Protection Agency now—unlike five years ago—routinely addresses the risks of chemicals in commerce while encouraging the development of safer substitutes, according to an outgoing EPA official.

Risk assessment, a central element of chemicals management, has, however, become more polarized than ever, according to a long-serving environmental health researcher who retired from the EPA earlier this year.

A comprehensive chemicals program evaluates existing chemicals to determine whether they pose risks, addresses risks if they are found and spurs the development of new chemicals that solve problems, Jim Jones, outgoing assistant EPA administrator for chemical safety and pollution prevention told Bloomberg BNA in a recent interview.

"Five years ago there was no expectation that EPA was looking at existing chemicals for

safety, and we have completely changed that dynamic," said Jones in his final year-end interview with Bloomberg BNA. Jones, a career civil servant, has worked for nearly 30 years at the EPA. He began to run the agency's chemicals and pesticides offices in 2011 although it took the Senate until 2013 to confirm his nomination by President Obama to lead the offices.

The EPA also worked with consumer-facing companies over the last five years and developed a practical approach to spurring interest in safer chemicals, he said.

Jones said he would like to have done more to bring green chemistry-enabled solutions to market.

Laying the Foundation

The agency began to change the perception that it did not assess existing chemicals in 2012 when it announced its plans to evaluate the risks of 83 chemicals in commerce.

Since 2012, the EPA has completed risk evaluations of five chemicals.

It concluded two chemicals—an ingredient in flame retardants called antimony trioxide and a fragrance ingredient known as 1,3,4,6,7,8-hexahydro-4,6,6,7,8,8,-hexamethylcyclopenta[ $\gamma$ ]-2-benzopyran—did not warrant controls.

The agency concluded particular uses of three other chemicals did warrant risk controls. The agency has proposed one regulation while two more proposed rules are under review at the White House Office of Management and Budget.

The chemicals and uses the agency proposed be controlled in some way are: the drycleaning and degreasing uses of trichloroethylene and the paint and coating removal uses of methylene chloride and n-methylpyrrolidone.

The foundation the EPA laid helped change the public's and industry's expectation and shows it could review chemicals in commerce, said Jones who will depart the agency in January.

"Now that's the law of the land," he said, referring to the amendments made in June to the Toxic Substances Control Act. Those revisions require the agency to evaluate the risks of nearly all chemicals in commerce.

Polarization of Risk Assessment

Jones said the process of assessing risks of chemicals in commerce can be improved, but the five risk assessments the agency has completed meet the amended TSCA's requirements such as being based on the best available science.

However, attorneys and trade associations representing chemical manufacturers have disagreed with that conclusion.

None of the three chemicals the EPA proposes to control should be regulated on the basis of the risk assessments the agency completed, the American Chemistry Council told the agency's Chemical Safety Advisory Committee in May.

W. Caffey Norman, a partner in the Washington, D.C. office of Squire Patton Boggs, voiced a similar opinion in an Insights article he wrote that appeared in Bloomberg BNA in August.

The risk assessment dispute calls to mind comments Ken Olden made in June as he

announced his resignation from EPA.

Olden ran an EPA research center that managed the EPA's Integrated Risk Information System (IRIS) program. The IRIS program conducts the first two steps of a risk assessment. It evaluates the hazards of chemicals and the doses at which those hazards may lead to adverse health effects. Those two steps produce risk values used by the EPA's regions and regulatory offices for clean air, clean water, hazardous waste and other regulatory decisions.

Prior to Olden's arrival at EPA in 2012, the IRIS program was criticized for being slow and cumbersome and unclear about why the agency based decisions on some scientific studies but not others. Regulated parties voiced these objections, but so too did EPA scientific advisers, committees convened by the National Academies of Sciences, Engineering, and Medicine and members of Congress.

Olden, a life-long environmental health professional, ran the National Institute of Environmental Health Science and National Toxicology Program prior to joining the EPA. He made numerous reforms to the IRIS program that were commended by the academies in a 2014 report. Still industry representatives continued to complain that IRIS wasn't transparent enough and that the EPA was not implementing the academies' recommendations.

In his farewell speech Olden said "the polarization in environmental risk assessment is more pronounced now than at any time in my life."

'Dickering' While People Suffer

"Not every technology and every chemical is harmful to the environment or to human health. Likewise not every chemical or technology is safe," Olden said.

Yet, "many of us operate as if these two extreme views are the only alternatives, and that these are the correct views," he said.

"Unfortunately this polarized environment is aided and abated by the press," Olden said. "The press no longer attempts to uncover the facts. They use talking points and press releases handed out by stakeholders, the government, industry, environmental groups."

"It takes too long to make risk assessment decisions because everyone wants to have a sayin fact not once but several times—and many of you want to have the final say. You can't make a decision that way.

"While we are dickering back and forth the environment is being harmed and people are suffering and dying," Olden said.

He called for "pragmatists" to wake up and see the corrosive effect polarization has on timely decisions and strive for solutions.

**Safer Chemicals** 

Jones said over the last five years the EPA has developed pragmatic solutions to address chemicals management by working with industry to call attention to safer chemicals.

The agency worked with non-governmental organizations, consumer-facing companies that make recognized household cleaners other products along with their institutional counterparts. Together they rebranded EPA's Design for the Environment program into a more easily recognized <u>Safer Choice</u> program, Jones said.

The agency's Safer Choice program recognizes products made with chemicals that meet specific criteria proving they are among the safest that provide their particular function. Carpet cleaners, car care products, laundry detergents and other products with ingredients proven to meet the criteria can be labeled with one of the family of Safer Choice logos.

The EPA built on that program by releasing and expanding its Safer Chemical Ingredients List, Jones said.

The list identifies chemicals, based on their functional uses, that have met the Safer Choice program's criteria. For example, the chemicals do not cause skin or respiratory allergies nor perturb the body's hormone system.

"I think we've gone a long way on both of those [ends of the spectrum] and have a comprehensive chemicals management program here," Jones said.

"We've got a lot more acceptance and attention to existing chemicals and ensuring safety while at the same time bringing attention and excitement, in a very practical way, to chemicals that are on the greener end of the spectrum," he said.

**Green Chemistry** 

The one area where Jones said he would like to have done more involves green chemistry.

The term, green chemistry, is popular and convenient to use, but it's a misnomer, Jones said.

The concept of green chemistry is that the manufacturing process by which a chemical is made or the molecule itself solves problems, he said.

The EPA's annual Presidential Green Chemistry awards recognize manufacturing designs, new manufacturing processes and molecules that bring benefits such as reducing waste water, hazardous waste, greenhouse gases or exhibiting fewer hazards than the manufacturing processes and molecules they could replace, Jones said.

"I wish we had been more effective in the green chemistry space," Jones said, adding "I wish we'd figured out how to more effectively identify those solutions which we call green chemistry."

Fate of Five Final Energy Efficiency Rules Could Be Up to Trump

Posted December 29, 2016, 11:18 A.M. ET

By Rebecca Kern

Five final energy efficiency appliance standards issued by the Obama administration yesterday could be undone by the Trump administration due to a new review period.

The Energy Department issued final rules increasing energy efficiency requirements for walk-in coolers, portable air conditioners, commercial boilers and uninterruptible power supplies. Each has a 45-day review period—until Feb. 11, 2017—before it can be published in the Federal Register.

The department also issued a direct final rule upping efficiency for swimming pool pumps, which has a 110-day comment period once it is published in the Federal Register.

Trump takes office Jan. 20, and the 45-day deadlines, part of a new review policy put in place this year, means all five of the rules will ultimately be under the authority of the Energy Department of the Trump administration.

This is a concern for Andrew deLaski, executive director of the Appliance Standards Awareness Project, which advocates for stronger energy efficiency standards.

"This is really uncharted waters. I don't think there's ever been a situation where one administration has issued a rule, but yet not published it in the Federal Register," he told Bloomberg BNA.

If the Trump administration doesn't act on publishing these final rules it could face litigation, deLaski said.

U.K. Climate Rules to Cost \$150 Billion by 2030, Energy Union Says

Posted December 29, 2016, 9:20 A.M. ET

By Alex Morales

U.K. efforts to fight global warming and comply with emissions reductions mandated by domestic laws are set to cost at least 124 billion pounds (\$150 billion) by 2030, the GMB union said.

That cost is the cumulative expense from 2014 through 2030 of cutting carbon emissions in line with the 2008 Climate Change Act, which mandates an 80 percent reduction in the six decades through 2050, the GMB said in a Dec. 29 e-mailed statement. It based its calculation on an estimate for 2014–2015 costs made last year by a government advisory body, the Committee on Climate Change.

The committee's estimate covered costs of reducing emissions in homes, power generation, transportation and waste. The union, which represents energy workers, said rather than piling the costs of complying with the act on domestic energy bills, the government should consider funding carbon reductions through general taxation. It called on ministers to be transparent about expenditure on fighting climate change.

"Loading the costs of decarbonizing the economy onto individual bill payers is highly regressive and will hit those who can least afford it the hardest," the GMB's national secretary for the energy sector, Justin Bowden, said in the statement. "Given the eyewatering amounts of cash involved, U.K. energy bill payers have a right to demand complete transparency over all aspects of the decarbonizing costs."

The GMB said the true cost is likely to be higher than its estimate, because it was unable to put figures to future items that will increase overall costs, including carbon taxes and permits, renewable power subsidies and power-generation capacity auctions. The union also didn't calculate costs of complying with the act from 2008 through 2013.

"It may well be that when the full costs of decarbonizing the economy are laid bare, paying for them out of general taxation is actually the fairer way to proceed," Bowden said.

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U.K. Christmas Day Powered by Record 41% Renewables, Producer Says

Posted December 29, 2016, 7:16 A.M. ET

By Jessica Shankleman

The U.K. got a record 41 percent of its electricity from renewable sources on Christmas Day, Drax Group Plc said, citing grid data.

Wind provided 31 percent of all electricity generated on Christmas Day, while biomass amounted to 6.6 percent, according to the Selby, England-based power producer.

Renewable power output increased by 63 percent Dec. 25 compared with a year earlier, mainly from more wind turbines and a growing amount of biomass on the grid, said Drax. Low-carbon generators met half of the U.K.'s power demand for the first time in the third quarter, U.K. government figures showed Dec. 22.

The U.K.'s wind turbine fleet generated a record 10.8 gigawatts on Dec. 23, said Drax, which is converting what was once the U.K.'s largest coal-fired power plant to run on renewable energy. The company this year started a new public data service called <u>Electric Insights</u>, which uses information provided by National Grid Plc and Elexon Ltd. Drax last week won approval from the European Union for a U.K. government subsidy to support the conversion of a third of its six units to run on wood pellets.

"These Christmas figures show that the U.K. energy system really is changing," Andy Koss, Drax Power chief executive officer, said in the statement. "Renewables are increasingly vital to the U.K.'s energy mix as we decarbonize and move away from coal."

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